

own homes have a strong interest in maintaining the value of their investments, the safety of their neighborhoods, and the quality of their schools. Homeownership is also a bedrock of the American economy, helping to increase jobs, boost demand for goods and services, and build prosperity.

More Americans than ever own their own homes, but we must continue to work hard so that every family has an opportunity to realize the American Dream. In 2002, I announced a goal to add 5.5 million new minority homeowners by the end of the decade. Since then, we have added 2.3 million new minority households. My Administration has also set a goal of adding 7 million new affordable homes to the market within the next 10 years. In my FY 2006 budget, I proposed a single family housing tax credit and two mortgage programs—the Zero Downpayment mortgage and the Payment Incentives program—to help more families achieve homeownership. In 2003, I signed the American Dream Downpayment Act, and I have proposed more than \$200 million to continue the American Dream Downpayment Initiative to provide downpayment assistance to thousands of American families. By promoting initiatives such as financial literacy, tax incentives for building affordable homes, voucher programs, and Individual Development Accounts, we are strengthening our communities and improving citizens' lives.

Now, Therefore, I, George W. Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim June 2005 as National Homeownership Month. I call upon the people of the United States to observe this month with appropriate ceremonies and activities recognizing the importance of homeownership.

In Witness Whereof, I have hereunto set my hand this twenty-fifth day of May, in the year of our Lord two thousand five, and of the Independence of the United States of America the two hundred and twenty-ninth.

George W. Bush

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NOTE: This proclamation will be published in the *Federal Register* on May 31.

The President's News Conference With President Mahmoud Abbas of the Palestinian Authority

May 26, 2005

President Bush. Thank you. Mr. President, it is my honor to welcome the democratically elected leader of the Palestinian people to the White House.

We meet at a time when a great achievement of history is within reach, the creation of a peaceful, democratic Palestinian state. President Abbas is seeking that goal by rejecting violence and working for democratic reform. I believe the Palestinian people are fully capable of justly governing themselves in peace with their neighbors. I believe the interests of the Israeli people would be served by a peaceful Palestinian state. And I believe that now is the time for all parties of this conflict to move beyond old grievances and act forcefully in the cause of peace.

President Abbas's election 4 months ago was a tribute to the power and appeal of democracy and an inspiration to the people across the region. Palestinians voted against violence and for sovereignty, because only the defeat of violence will lead to sovereignty.

Mr. President, the United States and the international community applaud your rejection of terrorism. All who engage in terror are the enemies of a Palestinian state and must be held to account. We will stand with you, Mr. President, as you combat corruption, reform the Palestinian security services and your justice system, and revive your economy. Mr. President, you have made a new start on a difficult journey requiring courage and leadership each day, and we will take that journey together.

As we work for peace, other countries must step up to their responsibilities. Arab states must take concrete measures to create a regional environment conducive to peace. They must offer financial assistance to support the peaceful efforts of President Abbas, his Government, and the Palestinian people. And they must refuse to assist or harbor terrorists.

Israel must continue to take steps toward a peaceful future and work with the Palestinian leadership to improve the daily lives of Palestinians, especially their humanitarian situation. Israel should not undertake any activity that contravenes roadmap obligations or prejudice final status negotiations with regard to Gaza, the West Bank, and Jerusalem.

Therefore, Israel must remove unauthorized outposts and stop settlement expansion. The barrier being erected by Israel as a part of its security effort must be a security, rather than political, barrier. And its route should take into account, consistent with security needs, its impact on Palestinians not engaged in terrorist activities. As we make progress toward security and in accordance with the roadmap, Israeli forces should withdraw to their positions on September the 28th, 2000.

Any final status agreement must be reached between the two parties, and changes to the 1949 Armistice Lines must be mutually agreed to. A viable two-state solution must ensure contiguity on the West Bank, and a state of scattered territories will not work. There must also be meaningful linkages between the West Bank and Gaza. This is the position of the United States today; it will be the position of the United States at the time of final status negotiations.

The imminent Israeli disengagement from Gaza, parts of the West Bank, presents an opportunity to lay the groundwork for a return to the roadmap. All parties have a responsibility to make this hopeful moment in the region a new and peaceful beginning. That is why I assigned General Kip Ward, who is with us today, to support your efforts, Mr. President, to reform the Palestinian security services and to coordinate the efforts of the international community to make that crucial task a success. The United States also strongly supports the mission of the Quartet's special envoy, Jim Wolfensohn, to make sure that the Gaza disengagement brings Palestinians a better life.

To help ensure that the Gaza disengagement is a success, the United States will provide to the Palestinian Authority \$50 million to be used for new housing and infrastructure projects in the Gaza. These funds will be used to improve the quality of life of the Palestinians living in Gaza, where poverty and

unemployment are very high. I've also asked Secretary Rice to travel to Jerusalem and Ramallah before the beginning of the Israeli withdrawal. Secretary Rice will consult with Israelis and Palestinians on the disengagement, their shared commitments, and the way back on the roadmap.

As we work to make the disengagement succeed, we must not lose sight of the path ahead. The United States remains committed to the roadmap as the only way to realize the vision of two democratic states living side by side in peace and security. It is through the roadmap that the parties can achieve a final permanent status agreement through direct negotiations.

The people of the Middle East have endured a long period of challenge, and now we have reached a moment of hope. Leaders from around the world have made a moral commitment: We will not stand by as another generation in the Holy Land grows up in an atmosphere of violence and hopelessness. With concrete actions by the United States, the Palestinians, Israel, and other nations, we can transform this opportunity into real momentum.

Mr. President, we will work with you to help realize the dream of a free and democratic Palestine, to bring greater freedom, security, and prosperity to all peoples in the region, and to achieve the lasting peace we all seek.

Welcome back to the White House.

President Abbas. Thank you very much, Mr. President. I'd like to thank you for this warm welcome and express my view in order to strengthen the relationship between Palestine and the United States. The Palestinian people share with the American people the same values of peace, freedom, and democracy. We are confident that the two peoples will benefit from continuing and developing this relationship.

Today we have conducted very intensive and constructive discussions with you, Mr. President, and with your senior administration officials. We discussed ways to support the opportunities to revive and resume the peace process in the Middle East. These discussions afford us with the opportunity to emphasize the central and essential role played by you, Mr. President, and by your

administration in supporting and advancing the peace process toward the realization of your vision of ending the Israeli occupation that started in 1967 and the establishment of a democratic, free, and independent Palestine to live side by side with the state of Israel, in order to create a better future for the peoples of the region. We have reiterated again to you, Mr. President, our strong commitment to the peace option, and through negotiations, we can achieve—the two sides can achieve their objectives.

We also discussed the efforts that have been undertaken by the Palestinian Authority throughout the past few months to bring about calm. These efforts have brought about the reduction of violence to the lowest level in 4 years and once again reopened the window of hope for progress toward peace. We emphasized our determination to maintain and preserve this calm. The Palestinian Authority exerts a great deal of efforts in reforming our security organizations, and the truth is, our efforts are fully supported by our own people who repeatedly reaffirmed their commitment to peace and negotiations.

In our talks, we also discussed the ongoing democratic process in Palestine. This process has successfully presented, through the Presidential elections and the local and municipal elections, that the Palestinians have succeeded in carrying out transparent and fair elections under very difficult circumstances, another example of the capability of our people and their ability to build an independent democratic state once we achieve our freedom and our independence.

We expect that our people will be helped and supported to make their democratic experiment a successful one. We look forward to the free movement and the freedom of movement and the removal of Israeli roadblock and checkpoints and the Israeli withdrawal to positions prior to September 28th, 2000, and as well as implementing the various understanding that we have reached with the Israeli Government in Sharm al-Sheikh. We stress that democracy cannot flourish under occupation and in the absence of freedom.

In this regard, we expressed our deep concern over the continuous Israeli settlement activities and the construction of the wall on

our land, particularly in the area of Jerusalem. These settlement activities, in addition to undermining President Bush's vision in establishing a Palestinian and contiguous state, that it is a viable state that can live side by side by the state of Israel, also contributes to the feeling of frustration and despair and the loss of hope. Stopping this is one of the requirements of the roadmap. Time is becoming our greatest enemy. We should end this conflict before it is too late.

We are extending our hands to the Israeli people in good intention. We are saying that peace and dialog and the recognition of the other side's rights is what will create a good neighborhood and achieve security and prosperity for our people and the peoples in the region.

We have assured the President that the Palestinian Authority is ready to coordinate with the Israeli side in order to ensure the success of its withdrawal from Gaza and the West Bank upon the Israeli evacuation. We see this evacuation as a part of ending the occupation, and it should not be at the expense of the West Bank. We must then immediately move to permanent status negotiations to deal with the issues of Al-Quds—East Jerusalem—as a capital of the future state of Palestine, the issues of refugees, settlements, borders, security, and water, on the basis of President Bush's vision and on the basis of U.N. resolutions and the basis of the Arab Initiative.

It is time for the Palestinian-Israeli conflict to end, right now. It is the time for our people, after many decades of suffering and disposessions, to enjoy living in freedom and independence on their own land. And we should accelerate the freedom of our prisoners in order to be a part of peacemaking.

Mr. President, we end our discussions in Washington, and we are more determined to move forward in the path of freedom, reform, and democracy. We depart Washington; we are more confident about the role that you will play and the role that your administration will play in order to move the process forward and achieve lasting peace.

Mr. President, at the end, I would like to thank you very much for your hospitality and

expressing the American—and demonstrating the American support to the Palestinian administration and the Palestinian people. We continue to look forward to work with you ahead in order to achieve our common objectives of peace, security, and democracy and freedom.

Thank you very much, Mr. President.

President Bush. Good job, good job. Two questions a side, starting with Terry [Terence Hunt, Associated Press].

Palestinian Democracy/Hamas

Q. Thank you, Mr. President. Mr. President, you just spoke about the rejection of terror. Are you satisfied that President Abbas is moving aggressively enough, doing everything he can to shut down terror groups? And do you think that he should, for example, close Hamas or remove from positions of power associates of Yasser Arafat?

President Bush. I believe that—and I know the President is committed to democracy. After all, he ran on a platform that said, “Vote for me. I’m for peace, and I believe in democracy.” That’s what he told the Palestinian people when he ran, and he won with 62 percent of the vote, I think it was. So in other words, he’s committed. That’s what he said he was going to do, and he’s now fulfilling it.

Our position on Hamas is very clear. It’s a well-known position, and it hasn’t changed about Hamas. Hamas is a terrorist group. It’s on a terrorist list for a reason. As the elections go forward, of course, we want everybody to participate in the vote. There is something healthy about people campaigning, saying, “This is what I’m for.” The President ran on a peace platform. You know, maybe somebody will run on a war platform. You know, “Vote for me. I promise violence.” I don’t think they’re going to get elected, because I think Palestinian moms want their children to grow up in peace just like American moms want their children to grow up in peace. As a matter of fact, I think the people that campaign for peace will win.

The goal of a—is, of course, a Palestinian state based upon rule of law, and you cannot have a democracy based upon rule of law if you have armed bands of people who will use their weapons to try to achieve a political

outcome. We discussed this with the President. He can give you his own views. I will just tell you, he is—he believes strongly in democracy and understands that aspect of democracy.

And so I’m—I think there’s something healing about asking people to vote. And hopefully, as more people participate and more people see progress on the ground in terms of real, tangible benefits when it comes to democracy like being able to make a living or being able to send your child to a school that works or being able to get good quality health care, that more and more people will reject the notion that the only—a state based upon violence is a positive state.

Israeli Settlements/Israeli Security Wall

Q. President Abbas, regarding settlements and the erection of the wall, are your positions before that you gave to your voters among the Palestinian public? And the question to President Bush, we heard your remarks. You talked about clear American position about the issue of settlements. But Israel continues to build settlements and continues to seize Palestinian territories. What is your position, Mr. President?

President Bush. Well, I told you what my position was. And it’s exactly what I said when I was in Crawford, by the way, when Prime Minister Sharon was there as well. I mean, when you say you’re going to accept the roadmap, you accept the roadmap, and part of the obligations of the roadmap is not the expansion of settlements. And we continue to remind our friends the Israelis about their obligations under the roadmap, just like we remind President Abbas about the obligations under the roadmap that the Palestinians have accepted. So nothing has changed.

Adam [Adam Entous, Reuters], yes.

Oh, I’m sorry. I beg your pardon.

President Abbas. The first one.

President Bush. I beg your—sorry, yes. Just trying to cut you off. [Laughter] It’s an old Rose Garden trick.

President Abbas. Regarding the issue of settlements and the wall, our position is very clear from the beginning. When we talk about two states, we are talking about a Palestinian state within the boundaries of 1967. That means that those boundaries, in our

views, should go back to the Palestinian people. This is what the roadmap states, and this is what is in various U.N. Security Council resolutions.

Also President Bush talked about ending the occupation that started in 1967. In our views, the wall—there is no justification for the wall, and it is illegitimate, as well as settlements. It is illegitimate and should not allow. We heard from the President that these activities should stop. I believe this is an important step in order to get to the permanent status negotiations. During the permanent status negotiations, we will put all these issues on the table. And we express our views that does not contradict international legitimacy.

President Bush. Now Adam.

Egyptian Presidential Elections

Q. Mr. President, President Bush, the First Lady under the Egyptian pyramids this week enthusiastically endorsed Mubarak's first steps towards direct Presidential elections. Two days later, Mubarak supporters attacked the opposition in the streets. Was it premature to back Mubarak? What's your message to Mubarak now?

President Bush. I also embraced President Mubarak's first steps and said that those first steps must include people's ability to have access to TV and candidates ought to be allowed to run freely in an election and that there ought to be international monitors. That's—and the idea of people expressing themselves in opposition to the government and getting a beating, is not our view of how a democracy ought to work. It's not the way that you have free elections. People ought to be allowed to express themselves, and I'm hopeful that the President will have open elections that everybody can have trust in.

Final question here. Oh, sorry. That's what happens when you don't get called on.

Gaza/Palestinian Democracy

Q. To President Bush, Mr. President, Israel insists on controlling the Gaza airspace as well as the port, after its unilateral withdrawal. What practical steps are you prepared to take, sir, to deter Israel from doing so and ensuring that the Gaza disengagement remains an integral part of the roadmap?

And to President Abbas, in the article that was published in the Wall Street Journal today, you emphasized the link between democracy and freedom. Do you feel concerned that the new Palestinian democracy could go back under the occupation and under the lack of freedom? Thank you.

President Bush. Actually, my answer kind of ties into the question you asked the President. You know, one of the things when you are in the position I'm in, I'm able to observe attitudes and opinions. And clearly there's a lot of mistrust, and you can understand why. There's been war, violence, bloodshed. The only way to achieve all the objectives is for there to be a democracy living side by side with a democracy. And the best way to see—to solve problems that seem insoluble now is for there to be a society which evolves based upon democratic principles.

And so there's going to be a lot of issues that come up as this process evolves that are going to be difficult issues. But as more people trust each other, then those issues become easier to solve. And so one of my cautions to both sides in this very important problem is to make sure that we stay focused on getting things right initially, and what needs to happen is that Palestinians, with the world's help, fill the void created by the withdrawal from Gaza with a society which is hopeful. And that means people can find work, and people can send their kids to school, the health care system functions well.

I told the President, there's a lot of international help that will be available, particularly as his Government earns the trust of the donors. And the best way to earn the trust of the donors is to work to develop this—to take advantage of this opportunity and develop a state. Israel has obligations to help. You noticed, in my statement I said “help improve the humanitarian situation on the ground.” And America wants to help.

Now as a democracy evolves and people see that this is a Government fully capable of sustaining democratic institutions and adhering to rule of law and transparency and puts strong anticorruption devices in place, answers to the will of the people, that it becomes easier to deal with issues such as airspace. The West Bank will become an easier

issue for everybody to meet obligations. We've got a fantastic opportunity now.

When I—I told the President, there's no doubt in my mind we can succeed. President Abbas is a man of courage. Part of the success is going to require courageous decision by the President. And I take great faith in not only his personal character but the fact that he campaigned on a platform of peace. He said, "Vote for me. I am for peace." And the Palestinians voted overwhelmingly to support him.

And so there will be a series of issues that come up—you know, how do we deal with this issue, or how do you deal with that issue—all of which will become easier to deal with as the Government succeeds in Gaza. And the United States stands with the Government to help them succeed.

President Abbas. Thank you. Regarding the democracy and freedom, I am saying that when we have chosen democracy as a way of life, this was not an adventure. This was a determination and a strategy that democracy is the only way to move forward and for life among different nations. But democracy is like a coin; it has two sides. On one side it's democracy; on the other side of the coin is freedom.

It's true, now we lack freedom, and we are in dire need to have freedom. We do not live in freedom in our homeland. This will weaken the hope to continue this democracy and will weaken the democratic march. But we will not go back. Our strategy is clear, and we are determined to achieve our freedom in order to complete and achieve both sides of the coin, and we can live a normal life.

NOTE: The President's news conference began at 11:31 a.m. in the Rose Garden at the White House. In his remarks, he referred to Lt. Gen. William E. Ward, USA, Senior U.S. Security Coordinator, Department of State; outgoing World Bank President James D. Wolfensohn, Special Envoy for Gaza Disengagement; Prime Minister Ariel Sharon of Israel; and President Hosni Mubarak of Egypt. President Abbas spoke in Arabic, and his remarks were translated by an interpreter.

Commencement Address at the United States Naval Academy in Annapolis, Maryland May 27, 2005

Thanks for the warm welcome. Secretary England, Admiral Clark, General Nyland, Vice Admiral Rempt, Captain Leidig, Dr. Miller, members of the Board of Visitors, Lieutenant Governor Steele and Congressman Hoyer, distinguished faculty, distinguished guests, proud parents, family, friends, and, most of all, the graduating midshipmen of the Class of 2005, I'm honored to be here.

And I am proud to stand before the future leaders of the Navy and Marine Corps. And to celebrate the occasion, I thought I would bring along a small graduation gift. Too late to give you a "Staubach Day," so I'll do the next best thing. In keeping with longstanding tradition, I hereby absolve all midshipmen who are on restriction for minor conduct offenses. *[Laughter]* I will leave it to the Admiral to define exactly what "minor" means. *[Laughter]*

You worked hard to get to this moment. You survived Plebe Summer and having your parking tickets scraped. *[Laughter]* You climbed Herndon Monument and threw pennies at Tecumseh, god of the 2.0. I knew him pretty well when I was in school. *[Laughter]* Now, at last, you've made it to graduation day, and in a few moments, you will receive your military commissions and your diplomas. Your parents are proud of you; your teachers are proud of you; and so is your Commander in Chief. Congratulations on a great achievement.

A lot has changed since you arrived at Annapolis 4 years ago. Navy football went 0 and 10 in your plebe year. This year, you went 10 and 2, and you won your second Commander in Chief's Trophy in a row. I'd like the record to show that your turnaround started the year after I delivered your commencement address. *[Laughter]* So to ensure the continued domination of Navy football, I thought I'd just swing by for a return visit.

When I spoke to the Class of 2001, none of us imagined that a few months later we would suffer a devastating surprise attack on our homeland or that our Nation would be